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# SMALL BUSINESS WEBINAR SERIES— Military Sealift Command

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# Military Sealift Command – Who Are We?

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- Military Sealift Command (MSC) is the leading provider of ocean transportation for the Navy and the rest of the Department of Defense - operating approximately 125 ships daily around the globe.
- MSC provides on-time logistics, strategic sealift, as well as specialized missions anywhere in the world, under any condition, 24/7, 365 days a year.



# Leadership

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U.S. Transportation Command

- MSC reports to U.S. Transportation Command for defense transportation matters as the Naval Component.
- USTRANSCOM provides coordination of air, land, and sea transportation for the Department of Defense.



U.S. Fleet Forces Command

- MSC reports to U.S. Fleet Forces Command for Navy-unique matters.
- U.S. FF provides combat-ready forces forward to Numbered Fleets and Combatant Commanders around the globe in support of United States national interests.



Assistant Secretary of the Navy  
for Research, Development  
and Acquisition

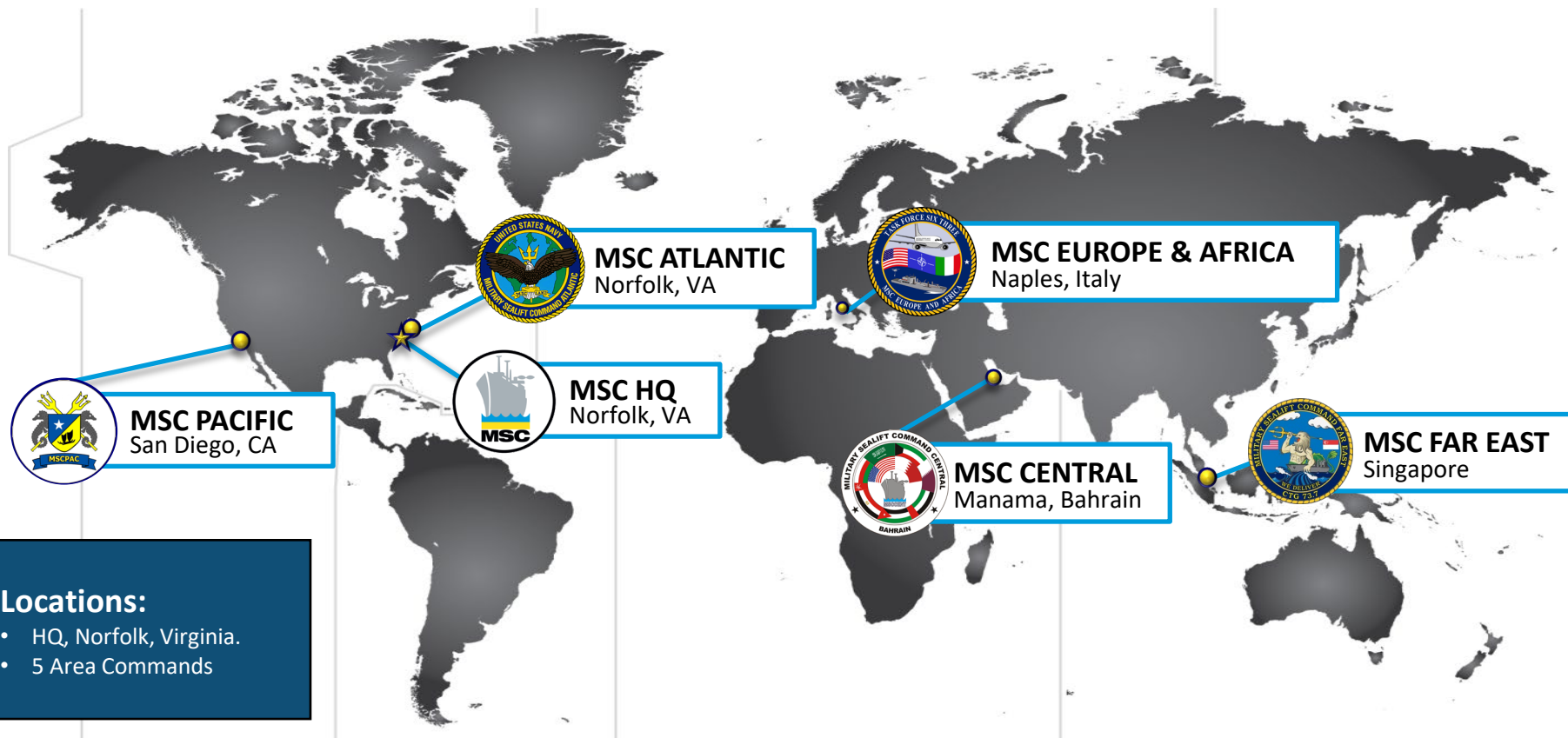
- Reports to the Assistant Secretary of the Navy (Research, Development and Acquisition for procurement policy and oversight matters.
- ASN (RDA) provides weapons, systems and platforms for the Navy and Marine Corps.





# Global Presence

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Approximately 125 ships at sea or ready for tasking



# Supporting Small Business

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## MISSION

- DON Small Business Enterprise fosters acquisition opportunities where small businesses can best support Sailors, Marines, and their families through policy, advocacy, counseling & training.

## VISION

- At MSC, Small Business inclusiveness is embraced as a strategic advantage that empowers our global warfighting capabilities.



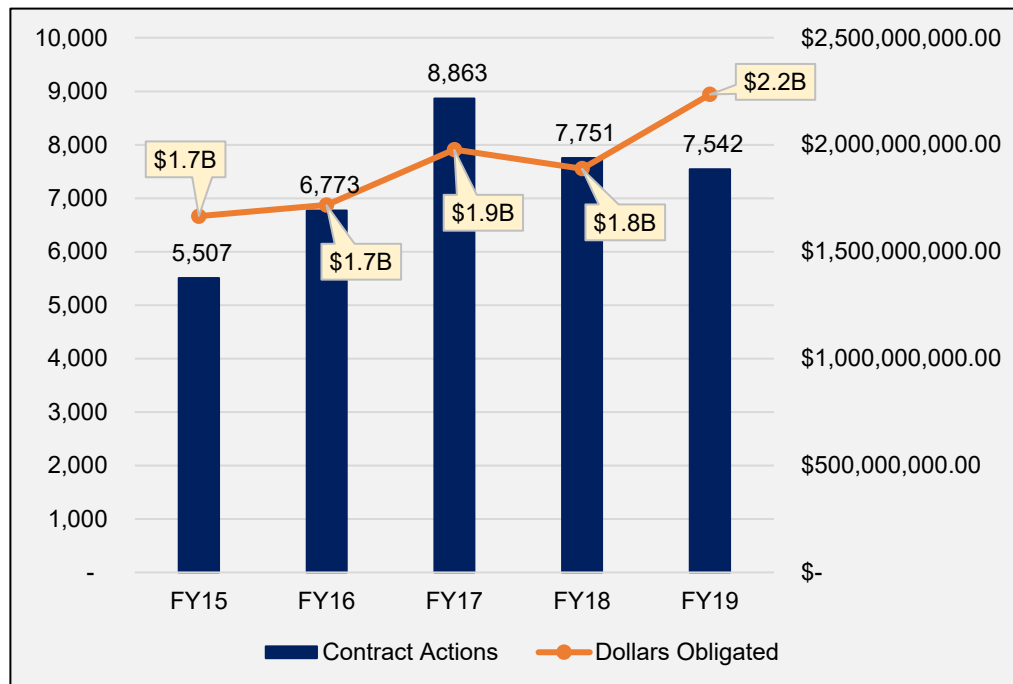
# MSC Contracts

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## MSC is a “Head of the Contracting Activity” 1 of 10 in our Navy

### Responsibilities include:

- Contracts for services of ocean-going ships, craft, floating dry docks, and other repair facilities for DOD
- Contracts for the maintenance, conversion, and modernization of assigned vessels





# MSC's Top 10 NAICS

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## FY19 Top 10 NAICS

NAICS	DESCRIPTION
483111	Deep Sea Freight Transportation
336611	Ship Building And Repairing
541330	Engineering Services
483113	Coastal And Great Lakes Freight Transportation
488330	Navigational Services To Shipping
541512	Computer Systems Design Services
481212	Nonscheduled Chartered Freight Air Transportation
333618	Other Engine Equipment Manufacturing
541513	Computer Facilities Management Services
721110	Hotels (Except Casino Hotels) And Motels



# Small Business Achievements & Goals

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CATEGORY	FY17 ACHIEVEMENT	FY18 ACHIEVEMENT	FY19 ACHIEVEMENT	FY20 GOAL
Small Business (SB)	45.28%	41.53%	48.01%	42.00%
Small Disadvantaged Business (SDB)	2.05%	3.22%	2.75%	2.50%
Service Disabled Vet-Owned SB (SDVOSB)	2.43%	1.74%	1.63%	2.00%
Woman-Owned SB (WOSB)	1.42%	1.34%	2.09%	1.50%
HUBZone SB	1.22%	0.61%	1.29%	1.00%





## Small Business Tips

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- Do your homework.
- Take time to participate in Outreach Events.
- Your Small Business Specialist is a great first contact.
- Visit [beta.SAM.gov](https://beta.SAM.gov) frequently.
- Respond to sources sought notices!
  - Tell your small business competitors to respond to sources sought notices!
- Don't assume that your small business status alone will get you a contract.
- Provide value for a fair and reasonable price.
- Ask questions when you have them.
- Don't forget about subcontracting opportunities.
- Don't disappoint a federal customer once you have an award.



## Do Your Homework

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- ✓ Review MSC websites – <http://www.msc.navy.mil/>
  - MSC's Small Business Website – <http://www.msc.navy.mil/business/>
  - MSC's Facebook – <http://www.facebook.com/MSCdelivers>
  - MSC's Twitter – <http://www.twitter.com/MSCsealift>
  - MSC's LinkedIn – <https://www.linkedin.com/company/military-sealift-command>
  
- ✓ Long Range Acquisition Forecasts – <http://www.procurement.msc.navy.mil/>
  
- ✓ Review FPDS-NG website – [www.fpds.gov](http://www.fpds.gov)
  - Use the 'ezSearch' function to find out what MSC procured in the past



## MSC OSBP Points of Contact

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# Captain Susan L. Ayers

## Military Sealift Command

### Director of Contracts



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# MILITARY SEALIFT COMMAND – VESSEL CHARTERING

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# Military Sealift Command – Who Are We?

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- **Military Sealift Command (MSC) is**
  - Type Commander reporting to Commander, U.S. Fleet Forces Command and Commander, U.S. Pacific Fleet
  - Naval Component Command for U.S. Transportation Command
  - A Navy Working Capital Funded activity
    - Provides vessel operating and chartering services to other DOD, DON and USMC organizations
- **MSC contracts for the services and supplies that keep its vessels and personnel mission-ready.**



# MSC's Unique Contracting Authority

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- **MSC Contracting roles are set by**
  - **Navy Marine Corps Acquisition Regulation Supplement (NMCARS)**
    - MSC has the unique responsibility for awarding and administering contracts providing services of ocean-going ships and craft, to include ferries and tugs.
  - **The Defense Transportation regulations**
    - MSC the role of awarding contracts for ocean-going transportation for USTRANSCOM.
- **Under this, MSC performs contracts for:**
  - Vessel charters for sustained operations at sea
  - Craft charters for Harbor Tugs
  - Vessel charters supporting Non-combatant Evacuation Orders
  - Vessel charters providing transportation for USTRANSCOM
  - Vessel Operation and Maintenance Contracts for MSC-assigned vessels
- **In meeting its mission, MSC relies on the commercial maritime industry**



# MSC's Vessel Chartering

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- A ***“charter”*** is a contract for the services of a particular vessel
- MSC charters instead of using Government assets because:
  - USTRANSCOM’s “Commercial-First” policy
  - When Government vessels are not available at load port
  - When Government vessels are over or under-sized for cargo
  - When Unique vessels not in Government inventory
- Charters take the form of
  - Voyage
  - Time
  - Bareboat/Demise
- Charters are not leases





# MSC's Vessel Chartering

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- **MSC's chartering effort are broken in to two categories:**
  - **SPOT charters**
    - Short turn-around, short-lived charters
    - Vessel requires no modifications or specialized outfitting
    - FAR Part 12, using FAR 13.5 to the greatest extent
  - **Long-Term charters**
    - Charters for continuous and re-occurring
    - Vessels often require modification of specialized outfitting
    - Contract often is required to possess a Secret-level facilities clearance
    - FAR Part 12



## MSC's Vessel Chartering

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- **Lead-time for procurements varies based on the category**
  - **SPOT charters                      14 days**
  - **Long-term charter      ~200 days**
- **Both follow a standardized procurement process using a streamlined process mirroring those of the commercial vessel chartering industry**
  - **Procurement strategy development**
  - **Solicitation of offers/quotes**
  - **Evaluation**
  - **Award**



# Vessel Chartering – Industry Touch-points

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## **Procurement Strategy**

- Initial Requirements Definition
- Market Surveys
- Final Requirements Definition
- Market Surveys
- Set-Aside Status
- Approval of Strategy

- **Market Survey**
  - Respond (even if not fully developed)
  - Provide corrections to requirement, ideas on alternatives concepts
  - Indicate if you are a small business
- **Requirements may change depending on world events or input from industry**
  - May split requirement into separate lots



# Vessel Chartering – Industry Touch-points

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- The importance of market survey responses cannot be over-stressed
- This vessel chartering market is dynamic: it is a critical component of the process to developed a procurement strategy
  - general vessel availability
  - US-Flag availability
  - Jones Act availability
  - Government cost and budgeting estimate development
  - Alternative solutions to requirements
  - **Determinations to not set-aside procurements**



# Vessel Chartering – Industry Touch-points

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## ***Solicitation / Evaluation***

- Synopsis

- RFP/RFQ  
Issuance

- RFP/RFQ  
Closing

- 
- Compliance

- Price

- Technical

- Past  
performance

## • **Solicitations**

- MSC has a standard set of solicitation documents (“Proformas”) for each type of vessel and type of charter
  - Available on MSC website ([www.msc.navy.mil](http://www.msc.navy.mil))
- Offers may be submitted through ship brokers
- Offers are received almost exclusively electronically:  
check to make sure offer was received
- Ask Questions if solicitation is not clear





# Vessel Chartering – Industry Touch-points

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## *Award*

- Source Selection
- Award Notices
- CHINFOs
- Vessel Delivery

- **MSC uses almost exclusively Lowest-Price, technical-acceptable source selection procedures for charters**
  - Simplistic requirement
  - Little to no benefit for vessels exceeding minimums
  - Price evaluations capture life cycle costs
- **SPOT charter awards are frequently made from initial offers.**



## MSC's Vessel Operating Contracts – Small Business

- **MSC also has numerous contracts for the operation of Government-owned craft and ships worldwide. (“Operation and Maintenance” contracts)**
  - **A Base-Operating contract where the “base” moves around**
- **Many of these have been awarded to small businesses, and some to large businesses**
- **Provide opportunity for small businesses to subcontract to both large and small businesses for specialized services and supplies necessary for operation and upkeep of the vessels**
  - **Crewing**
  - **Travel**
  - **Ship repair**
  - **Engineering services**
  - **Etc.**



## MSC's Vessel Operating Contracts – Small Business

- **MSC's current ship operating companies are required to maximize the use of Small Businesses under the subcontracting plans**
- **USMMI**
- **Crowley Government Services**
- **Ocean Ship Holdings, Inc.**
- **Seaward Services**
- **Patriot Contract Services**
- **TOTE Services**



## MSC's Vessel Chartering – Small Business

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- **Small business represents a critical component of MSC's ability to meet its unique chartering and vessel O&M missions**
- **In Fiscal Year 2019 over 45% of all MSC chartering and O&M dollars went to small businesses**
  - **USA and USAF vessels for prepositioned ammunition**
  - **Navy water-borne personnel transport**
  - **USTRANSCOM cargo charters**
  - **DOD's Surge Sealift fleet is operated mostly by small businesses**
  - **USMC High-Speed transport (WESTPAC)**
  - **Harbor Tugs**



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# Frequently Asked Questions



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# Live Q&A



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